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ARIZONA CORPORATION COMMISSION

December 9, 2005

The Honorable Phil Gordon
Mayor, City of Phoenix
City Hall
200 West Washington
Phoenix, AZ 85003

Re: *Summit at Copper Square; Encroachment Issues*

Dear Mayor Gordon:

Thank you for response to my letter regarding the encroachment issues posed by the *Summit at Copper Square* redevelopment project. However, none of my questions were answered concerning the hazard mitigation efforts being contemplated or undertaken by the City of Phoenix. Moreover, I find it surprising that the City would consider itself powerless to place tougher safety requirements on this high-rise, high density residential project. After all, the project will be located within 40 feet of the Swissport jet fuel pipeline.

Your Staff is fully aware of the Commission's limited jurisdiction on this project. In raising the questions, I am presuming the City is willing to make difficult decisions in favor of public safety. We are responsible for pipeline safety inspections, not for approval of the siting or placement of pipelines. From a structural standpoint, our inspectors may find the pipeline to be safe, but its proximity to a high-density residential area could be devastating if the pipeline ruptured due to third-party damage or an extraordinary event.

As you know, the Commission has no constitutional or statutory role on municipal zoning and planning issues. That important responsibility lies with the City alone. And when it comes to public safety, the City can certainly dictate the appropriate setbacks and easements for land use and development.

To set the record straight, the Commission's Chief of Pipeline Safety, Alan Bohnenkamp, did not "review" this matter. Mr. Bohnenkamp indeed received a telephone call from your Staff about the Commission's view on the project's proximity to this critical jet fuel artery. Mr. Bohnenkamp informed your Staff that the Commission had no legal authority to compel Swissport to move the line or to require the City establish adequate protective zones. He also explained the difference between an explosion on pipeline transporting hazardous liquids versus natural gas.

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December 8, 2005

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As I stated in my original letter, a buffer zone of 100 feet would more desirable, prudent and obviously safer. I am trying to impress upon the City to take proactive steps to avoid endangering either people's lives or their property. Under its zoning authority, the City has the opportunity to prevent a serious encroachment issue from emerging in the event of a potential pipeline break or explosion.

I look forward to your response.

Sincerely,



Jeff Hatch-Miller
Chairman

cc: Vice Mayor Michael Johnson, District 8
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Councilwoman Peggy Neely, District 2
Councilwoman Peggy Bilsten, District 3
Councilman Tom Simplot, District 4
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